

CLAIMS

WHAT IS CLAIMED IS:

1. A process for generating a financial and liquidity estate plan for a client, said process comprising the steps of:

determining assets of the client;

defining a plurality of asset categories based on type and purpose of asset;

categorizing the client's assets in the defined categories;

performing liquidity analyses of the categorized assets to determine current estate liquidity and projected future estate liquidity of the client; and

generating a plan for re-allocating the client's assets among the defined categories based on the liquidity analyses.

2. The process of claim 1 wherein the step of defining the categories includes defining a first category for assets that are generally non-liquid and intended for personal enjoyment of the client.

3. The process of claim 1 wherein the step of defining the categories includes defining a second category for cash and cash-equivalent assets that are generally intended for reserve capital purposes.

4. The process of claim 1 wherein the step of defining the categories includes defining a third category for unprotected assets that are generally growth oriented and intended for funding retirement of the client.

5. The process of claim 1 wherein the step of defining the categories includes defining a fourth category for protected assets that are generally exempt from creditors and intended for providing retirement protection and estate liquidity.

6. The process of claim 1 further comprising the step of defining a life insurance product, said product being a protected asset having a pre-paid death benefit purchased with a single premium and providing a series of additional pre-paid death benefits each purchased with a single premium as scheduled for future purchase.

7. The process of claim 6 wherein the defined life insurance product is a pre-paid, variable life insurance product.

8. The process of claim 6 wherein the step of defining the life insurance product includes maximizing cash value of the product per premium dollar by removing up-front loads and reducing ongoing charges.

9. The process of claim 6 wherein the step of defining the life insurance product includes minimizing “at risk mortality” costs by cash value purchasing a minimum desired amount of life insurance.

10. The process of claim 6 wherein the plan for re-allocating the client’s assets includes consuming unprotected assets before protected assets.

11. The process of claim 10 wherein the plan for re-allocating the client’s assets further includes consuming the defined life insurance product after other protected assets.

12. The process of claim 1 wherein the step of performing the liquidity analyses includes determining asset protection needs of the client.

13. The process of claim 1 wherein the step of performing the liquidity analyses includes executing a plurality of modules for analyzing the categorized assets.

14. The process of claim 13 wherein the liquidity analyses modules include a current liquidity module, said current liquidity module comprising the steps of analyzing the categorized assets and determining the current liquidity of the client's assets.

15. The process of claim 13 wherein the liquidity analyses modules include a retirement protection module, said retirement protection module comprising the steps of defining retirement goals of the client, calculating the amount of assets needed in each of the defined categories to meet the defined retirement goals, analyzing the categorized assets and determining whether the client's assets meet the defined retirement goals.

16. The process of claim 15 wherein the retirement protection module further comprises the step of calculating an amount of non-exempt assets to convert to exempt assets based on a projected rate of consumption of assets relative to the client's retirement goals.

17. The process of claim 16 wherein the retirement protection module further comprises the step of calculating a systematic asset allocation schedule for converting the non-exempt assets to exempt assets.

18. The process of claim 13 wherein the liquidity analyses modules include estate tax liquidity and estate tax reduction modules, said estate tax liquidity and reduction modules

comprising the steps of defining estate protection goals of the client, calculating the amount of assets needed in each of the defined categories to meet the defined estate protection goals,
5 analyzing the categorized assets and determining whether the client's assets meet the defined estate protection goals.

19. The process of claim 1 wherein the steps of categorizing the client's assets, performing the liquidity analyses and generating the plan for re-allocating the client's assets are executed on a computer.

20. A process for defining a pre-paid, variable life insurance product comprising the steps of:

defining a premium;

determining a cash value of the product based on the premium;

5 defining a pre-paid death benefit purchased with the premium based on the cash value of the product;

investing the cash value of the product in one or more investment accounts;

adjusting the cash value of the product as a function of gains and losses on the investment accounts; and

10 defining the pre-paid death benefit purchased with the premium based on the adjusted cash value of the product.

21. The process of claim 20 wherein the step of adjusting the cash value of the product is performed daily.

22. The process of claim 20 further comprising the step of maximizing the cash value of the product per premium dollar by removing up-front loads and reducing ongoing charges;

23. The process of claim 20 further comprising the step of minimizing "at risk mortality" costs by cash value purchasing a minimum desired amount of life insurance.

24. The process of claim 20 further comprising the step of providing a series of additional pre-paid death benefits each purchased with a single premium as scheduled for future purchase.

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